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1986/05/29



DECLASSIFIED
Department of State

Y need to
see US
on this.

G.

ACTION MEMORANDUM
S/S

FILE CO

INMARSAT

TO: T - William Schneider, Jr.
FROM: OES - John Negroponte
PM - H. Allen Holmes
CIP - Diana Lady Dougan
SUBJECT: Response to a letter and subsequent cable
from O. Lundberg concerning Soviet/Chinese
launch services for INMARSAT

ISSUE FOR DECISION

Whether to authorize the cable at Tab A responding to a letter from INMARSAT Director General Olof Lundberg, regarding use of Soviet or Chinese launch services for the INMARSAT Second Generation satellites.

ESSENTIAL FACTORS

C

NR

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Subsequent to the letter, Dr. Lundberg sent you a telex asking if similar safeguards would be applicable to such a launch on a Chinese Long March 3 rocket. He also urges a reply by June 1 in order to prepare for the July INMARSAT Council meeting.

Some communications technology hardware being used in the INMARSAT Second Generation satellite is controlled by the International Traffic in Arms Regulations (ITAR). C

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The question of using a Chinese launcher is a different matter, since the USG has no law or policy that automatically rules out approval of a license application for material controlled under the ITAR. In principle, we could approve a license application which would enable an INMARSAT satellite to be launched from the PRC. Clearly, however, we would need close interagency scrutiny of such an application. Accordingly, we should await receipt of such an application before giving Lundberg any definitive word on the question of using a Chinese rocket to launch the INMARSAT satellites.

Recommendation:

That you authorize the release of the cable to Mr. Lundberg at Tab A.

Approve Disapprove

Attachments:

Tab A - Draft cable to Lundberg
Tab B - April 29 letter from Lundberg to Schneider
Tab C - May 20 cable from Lundberg to Schneider

Clearances:

T - PSmith Ps/m
OES/S - RMorris RGm/m
OES/SAT - OEskin OEE/m
PM - PHughes
PM/STA - WGussman
PM/MC - SKoumanelis (subs)
EB/EWT - ECastro EC/m
EUR/RPE - SMcGinnis SM/m
EAP/C - SSchlaikjer
CIP - DOLmstead
ACDA - MBrinck
L/EB -

W

OES/SAT:VMalahy,PM/STA:KPeoples:dbu 5/29/86 W7122S
647-2432